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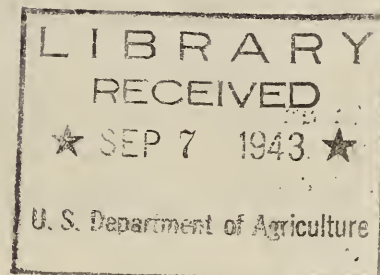
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U. S. WAR FOOD ADMINISTRATION

Washington, D. C.

June 21, 1943

Hon. Paul V. McNutt
Chairman, War Manpower Commission
Washington, D. C.



Dear Mr. McNutt:

In discharging its responsibility for the nation's wartime food program, the War Food Administration is concerned that obstacles to the success of the program shall be reduced to a minimum. The serious world food situation makes mandatory the getting of available food supplies to the right places, in the right quantities, and at the right time. In this connection we must rely upon the continued effective operation of existing distributive outlets.

Contrary to popular opinion, the problem of safeguarding established channels of food distribution is not confined to industrialized areas of general labor shortages, but is a serious national problem, also evident to a large degree in rural areas. Sparsely populated areas must rely on established distributive outlets for their rationed food supplies; some rural and non-industrial areas are already without retail food outlets, and there are no incentives for new stores to open.

We find that food wastage in distribution is increasing and a far greater than usual number of business failures is creating great difficulties in getting food to certain areas. This wastage and threatened breakdown of wholesale and retail facilities in certain areas is attributed chiefly to manpower problems. These problems have been carefully reviewed by our National Wholesale and Retail Food Industry Advisory Committees, and their recommendation, in which this office concurs, is that affirmative action must be taken immediately.

The most obvious factor involved is the tremendously increased labor turnover. Labor turnover of full-time employees varies from 75% to 250% and roughly averages 210% annually in wholesale establishments, and from 40% to 600% and roughly averages 230% annually in retail stores. The effects of this labor turnover, resulting in two to six completely new staffs each year, are greatly aggravated by the loss of experienced supervisors to control and train the "green" help, recruited from among housewives, school youth, and part-time workers. When gone, the relatively few skilled persons required in the wholesale and retail distribution of food cannot be replaced

as the young men who were gaining the required specialized experience have already entered the armed services.

In some areas, where population has increased from 25% to 400% since 1940, absenteeism in war plants has been aggravated because reduced and inexperienced store manpower, operating on a regular schedule, cannot serve war workers, and wholesalers cannot get railroad cars and trucks unloaded. Tonnage in wholesale houses, handled by fewer persons, has increased from 40% to 170% over that of January 1941.

In an attempt to meet the substantial increases in manpower demands on wholesalers and retailers because of increased tonnage for wholesalers and of food rationing (Advisory Committee reports show that it costs from 1/2% to 1-1/2% of gross sales), the following adjustments have been made by the trade to effect the maximum utilization of available manpower:

Self-service has been established to the extent of all available equipment.

The number of women employed in retail food stores has been increased from an average of about 20% in January 1942, to 46% in March 1943, and from 14% to over 23% in wholesale institutions. (There exists always the problem of handling heavy and bulky merchandise, which requires manpower, not womanpower.)

Deliveries have been greatly reduced by all establishments, and entirely eliminated by many.

Non-essential promotional and service activities have been eliminated.

Both wholesale and retail outlets are operating in excess of 48 hours per week with employees whose average age in retail stores is about 40, and in wholesale establishments about 42. While in general these employees are not eligible for the draft, they are eligible for and are psychologically receptive to pirating by industries which have been declared essential.

Effective food distribution in a wartime economy demands that this problem be handled nationally; the problems of labor turnover, pirating, and absenteeism are nation-wide in their effect on the wartime food distribution. The designation of food distribution as "locally needed" in heavily industrialized areas will aid in stabilizing manpower and womanpower in these areas, but will not meet the need in rural sections. The question of Selective Service deferments is not a major issue, and we believe that these problems can be handled locally by the employers and the Selective Service Local Boards.

It is felt that a declaration of essentiality from Washington will (a) assist in stabilizing the food distribution industry; (b) result in a reduction in the number of employees necessary to operate the industry under

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3-Paul V. McNutt

wartime conditions; (c) effect a reduction in the amount of food wastage resulting from inexperienced help; and (d) maintain some semblance of orderly distribution of food to war workers and other consumers.

We therefore propose that the War Manpower Commission issue immediately a statement to the effect that wholesale and retail distribution of food is essential to the war effort.

Sincerely yours,

War Food Administrator

Attachment

SEP 7 1943

MANPOWER IN WHOLESALE AND RETAIL DISTRIBUTION

Inefficiency and food waste are apparent in food distribution because of the chaotic manpower situation in the wholesale and retail food trade.

The attached summary shows (from a sample survey for all parts of the United States) the percentage of female employees in wholesale and retail food institutions as well as the annual turnover; also, the average age of male employees and the percentage of male employees over the draft age of 38. The lower average age for male employees (under 40) indicates extensive use of teen-age boys. The percentage of male employees over 38 is particularly high in the wholesale field (average 59%) and averages 47% for retail outlets. While there is a wide variation in the percentage of female employees, it is note there has been a general substantial increase in employment of women.

Turnover:

The present rate of labor turnover in retail food stores, in some areas reaching as high as 600% annually for full-time employees, and averaging roughly 250%, is obviously extremely costly in supervisory time as well as in the maldistribution of available food. Turnover figures including part-time employees reach the thoroughly disruptive totals of 900 to 1,000% in the retail field. If this were confined only to clerks, the problem would not be so acute, but it is also at the supervisory level. Turnover in the wholesale field is smaller in general, but is substantial, averaging 210%. It is obvious that effective distribution cannot be maintained if responsible supervision is not available. While a substantial number of the male employees are, on the average, over the 38-year draft age, food outlets everywhere evidence difficulty because of pirating in retaining enough manpower to do the necessary lifting of meats as well as heavy sacks, cans, and cases, which are inseparably a part of processed and bulk food distribution. (See Exhibit B).

With 8% fewer employees, wholesalers have in general experienced a substantial increase in tonnage volume during recent months in comparison with a similar period for 1941.

Women Employees:

With higher turnover sales, retail establishments have shown a more rapid increase in the percentage of women employees, but it is substantial in the wholesale trade also. In the wholesale field where there is on the average a smaller percentage of women employees (21%) than in retailing (46%), the turnover is less for full-time employees, and the percentage of men over 38 years of age is in general much higher than in the retail field.

Working Hours:

On the average, women are being employed 49 hours per week and men 54 hours per week in retail outlets. (See Exhibit C). In January 1941, the average number of hours in the food wholesale field was 46 and at the present time is over 49. (See Exhibit D). These figures do not include information from the so-called "papa-mamma" stores where little or no outside help is utilized, and where their own hours are kept without regard to store hours generally.

Pirating:

In general, key supervisory personnel would not be affected by the draft, but they are affected by labor pirating and by specific approaches from the United States Employment Service. It is the consensus in the trade that in general it can make necessary manpower adjustments if wholesale and retail institutions are permitted, because of their declared essentiality, to retain their male employees not eligible for the draft. They are in imperative need of those in key positions. In addition, there is the ever-present psychological factor where both men and women employees are eager to be employed in industries which are "essential".

Only a relatively few food store workers are absolutely irreplaceable, in the long run, but to avoid food waste, long experience and training is necessary. Women have already been employed in many of these jobs, but there are some jobs which women find it impossible to fill, including the handling of heavy merchandise, especially meats and canned goods, and responsibility for the operation and management of large wholesale and retail establishments.

EXHIBIT A

The following statements from food distributors in various locations indicate substantial increased losses due to loss of help and to the necessary use of inexperienced help. There is always food loss due to handling, but present figures indicate an additional loss of at least 1% of sales. This amounts to over 150 million dollars annually, at a time when we can ill afford any food losses.

From a national chain store organization (underlines supplied)

"We have experienced a rather sharp rise in losses through damage of fresh fruits and vegetables in the company's stores during the past two years. During the first two months of the fiscal year 1941 - March and April - the Net Credit Rate, which is comprised primarily of damage and loss through deteriorated and unsaleable merchandise, averaged 3.45% of retail sales as against 4.0% for the same period in 1942, and 5.72% for the corresponding period in 1943. This is an increase of 2.26 cents out of each retail dollar in two years.

"Although a reduction in volume together with the container problem and the tendency to more laxness in grading by growers and shippers have contributed something to this increased cost in damage and waste; yet in the main, it is the result of inexperienced and unskilled store help which the company has been required to accept in replacing the men drawn into the armed forces. As a matter of fact, the correlation between the growth in the damage rate and the increase in the induction of the company's experienced employees into the armed services, is close.

"In 1941, when the Net Credit Rate was close to the lowest in our history, namely 3.46%, the full store personnel was intact, which consisted of men who had special merchandising training, ranging from a few weeks to many years. By June 1, 1942, the company had lost to the armed services approximately 6,000 men; and up to June 1 this year, this number had been increased to 18,859.

"Mostly women have supplanted these men, the great majority of whom have had no previous experience in handling these perishable items. There has been little opportunity to give them adequate training due to the large amount of work developing upon the supervisors as well as the manager and merchandising men remaining in the stores. These store men have the heavy packages of merchandise to handle in addition to supervision, paper work, and accounting of funds.

"Instead of the situation promising to grow better, it continues to grow worse owing to the fact that fathers who, as a rule, are the older and more experienced men are now being called; while, on the other hand, the potential store personnel labor market grows thinner and thinner with less capable people available.

"With prevailing conditions continuing, the outlook is for a continued mounting damage goods rate, which during the next year or so, could easily advance another 2.25%."

From Cincinnati, Ohio

"The increased loss on fruits and vegetables from labor turnover (curtailed supervision, increased package breakage, slowness, etc.) amounted, during the first four months of 1943, to 3.8 times the dollar cost for the same period in 1942. This represents a total of 1% of gross sales."

From Oakland, California

"The losses in handling fresh meat, fruit, vegetables, delicatessen, cheese, bakery products, etc., because of new or green help is tremendous.

"Our fruit losses have increased over 50%. New help does not know how to sort over tomatoes, or to get a proper turnover on apples, oranges or anything. As a result our tomato losses are great, our apples at this time of the year get brown spots on them if not handled right or sold at the proper time. Old crop oranges must be watched right to save losses.

"Our vegetable losses have increased about 10 to 20% on the volume merchandise, but on lettuce, radishes, cabbage, asparagus, it has increased 40 to 50% from former loss. New help just does not understand how to handle these perishable merchandise.

"Our delicatessen department is suffering with meat ends, scraps, because new help does not understand how to slice meat, cut cheese or take care of salads, etc. that is sold now for workers' lunches, etc. Our increase in losses are from 20 to 35% on these items."

From St. Louis, Missouri

An eighty-five year-old wholesale grocer-importer in the middle west shows that, "with present unskilled help," they have a loss in perishable merchandise "which approximates 9% above our normal operating loss" on perishable foods.

From Brockton, Massachusetts

"We feel very strongly that retail food distributors should be declared as essential. Because of our "unessential" classification, we are suffering from a tremendous transfer in help. The result is a very substantial increase in our amount of food spoiled.

"We would like to give you some specific examples of what we mean. A few weeks ago, an inexperienced man swept some dirt off the floor and dumped it

in a chest which appeared to be half full of dirt. The chest was then thrown into the incinerator and we discovered subsequently that the chest full of dirt was actually a third of a chest of Gunpowder tea.

"Week before last, we had a new man on operating a reel oven in the bakery. The result was that we burned eight shelves of cake to a point where they were not salable.

"When we renewed our contract with our contract carrier for the deliver of our orders we had to allow him up to \$5.00 a week for lost or smashed orders which is solely the result of inexperienced, and in some cases, irresponsible help.

"However, the most serious situation arises in the skilled classifications. We have had experience with a green man cutting fish in one of our stores. The amount of fish left on the bones in the process of filleting is almost a crime. The same situation arises with meat cutters; when you expect green help to cut meat and particularly to bone it, the amount of waste that is incurred creates a very serious situation. It is serious not only to us as a store, but serious to the general public in view of food standards.

"We have had the same experience in one store with an inexperienced man buying vegetables. A buying job particularly in the perishable lines requires a great deal of skill and experience. Our new man is continually over-buying on some things and under-buying on others. Everytime he over-buys, we get more than can be sold and in many cases it has to be thrown out. We had the same experience on vegetables with counter men; because they are inexperienced, they never know when they are "stuck" until the day after and then it is too late to do anything but throw the merchandise away. We have tried to offset this by increasing our supervisory force but it is impossible. The exact amount of loss which we take in perishable merchandise is of course difficult to estimate but an intelligent guess would put it somewhere in the vicinity of five to ten percent of our perishable purchases."

From another national chain store organization, with 1/4 of its stores self-service

"The help situation is so acute we are being forced to close some of our stores through lack of competent help.***** For the first four months of 1943, increased loss due to inexperienced help is approximately 1% of our sales. This is just about our net profit total for 1942."

From Topeka, Kansas

"Our loss on perishable merchandise is double what it is in normal times and unless we are given some protection from here on out the situation will be worse."

From Piedmont, California

"Our losses on rolls, sweet dough, doughnuts, etc. (bakery goods) have increased about 15 to 20% since we have new help taking care of these. They do not understand how to order them or sell them out at night.

"Our losses in fresh meat has increased by about 15-25% because new help does not understand boning out of meat or trimming, cutting or preparing certain cuts that should be sold promptly, and are allowed to stay in stock too long. Fresh fish needs experienced help.

"Fresh fruit and vegetables need experienced help. This morning I saw considerable rhubarb thrown out because it was not cared for properly, apples lost because they were not rotated, asparagus lost because the tops had moisture on them and spoiled, etc. Our extra losses in fruits and vegetables will average 50 to 100% over former losses."

From Toledo, Ohio

"We find in the past few months that with the rapid turnover of employees it is impossible to operate departments carrying perishable commodities without taking a loss on many items."

From Colorado Springs, Colorado

"It seems rather impossible to get figures on percentage losses due to inexperienced help. Naturally, if we had help which could keep the accurate record for us, we wouldn't be lacking that experienced help! The first thing that happens when an organization becomes crowded for help, is that detailed records are allowed to lapse simply from the fact that there is no one and no time to take care of them.

"We have very definitely, however, suffered losses through the offering of merchandise for sale in our various departments, by salespeople who do not understand the display, the preservation, the manner of cutting and measuring and taking care of opened or cut packages. This has caused a very material loss, and the more inexperienced and the more changeable the help situation becomes, naturally the more the loss grows. We have had to discontinue the sales of certain items because of inexperienced salespeople. We have also had further losses in the caring for, receiving and storage of merchandise, before it was presented to the public for sale, for the reason that manufacturers and processors, wholesalers and other middle men have the same experienced help that we do.

"In this connection, we have had cases where we have lost entire shipments of perishables simply through inexperienced help, and entire lack of enough help to properly receive and take care of perishables. This happens with vegetables, fresh poultry, and fresh meats."

From Grand Rapids, Michigan

"We feel that we have had at least an additional ten percent (10%) loss on perishable merchandise due to inexperienced help and not enough help."

From Chicago, Illinois

"When the war started we had approximately 160 employees made up of 115 men and 45 women. Today we are doing a greater volume of business with 140 employees made up as follows: 33 men, 85 women, and 23 part time boys and girls.

"Some of our best key men have been ordered into war plants and just today we had three inducted into the Army which made a total of 38 who have gone into the service from our store. We are not taking care of our business as it should be taken care of. Our customers are forever complaining of not being served properly and of the inefficiency of our new untrained personnel. The first quarter of this year we had 83 employees leave us which placed a burden on our few remaining department heads.

"As to waste there is no end to it. It seems that the type of employees that we now have available have no interest whatsoever in saving perishable foods. They try to convey to me the idea that they are being patriotic by working during the war and that I should be grateful to them for their effort. We must be very careful what we say and how we treat them since they leave us on a minute notice when spoken to regarding carelessness or waste. Our greatest waste is caused by clerks standing by the scales and throwing over weight back in the produce bins. Sometimes it hits the bins but mostly is thrown on the floor to be trampled on and wasted.

"It is impossible for us to maintain a proper organization in our produce department. At the moment we have three men and one woman and heretofore always used 8 to 9 in the preparation. Naturally with only a skeleton crew we cannot watch things as we should and I would say that at least 20% of our produce is wasted due to the lack of help."

From Fitchburg, Massachusetts

"As operators of fourteen stores, in nine New England Cities, we are large handlers of Food, including Fresh Fruits, Fresh Fish, Fresh Vegetables, Meat, Bakery Goods, and Groceries. Our losses on perishable Foods can be traced directly to shortage of help, particularly experienced help, in our perishable Food departments. Since we take an actual physical inventory in our perishable Food departments every week, we know, from week to week, just how much profit (or loss) we have made in these departments. Below we are listing a comparison of Gross Profit Percentages in certain perishable Food departments.

	<u>January</u> <u>1942-1943</u>	<u>February</u> <u>1942-1943</u>	<u>March</u> <u>1942-1943</u>	<u>April</u> <u>1942-1943</u>	<u>May</u> <u>1942-1943</u>	<u>Year to Date</u> <u>1942-1943</u>
Fruit	.355 .226	.286 .223	.287 .052	.282 .282	.247 .155	.289 .190
Vegt.	.225 .236	.298 .226	.216 .175	.253 .164	.227 .140	.243 .182

You can see from these figures how our Gross Profits have decreased, and we lay this directly to shortage of help."

From Washington, D. C.

"In the last year it has been our observation based on careful study and observation of actual results, that inexperienced help caused a loss of eight per cent of original value of fresh meats. In our fresh fruit and vegetable department it has been observed that our loss occasioned by inexperienced help has been about eleven per cent. Inexperienced help, we have found, does not realize the importance of keeping merchandise moving so that it will not spoil. A beef liver, for example, should be cut from one end to the other and not let the ends accumulate to spoil. An inexperienced man, trying to please a customer, will invariably sell center cuts only and leave the ends to pile up. Inexperienced men in our fresh fruit and vegetable department will invariably pick the very best, say of beans, and make no effort to sell merchandise which has passed the peak of freshness.

"Loss from inexperienced help is particularly serious to us at this time because of OPA restrictions on our markup. Unless merchandise is handled in the most efficient way under our markups, we can not possibly break even and the degree to which we are forced to use inexperienced help actually, we find, determines the extent of loss."

EXHIBIT B

MANPOWER IN RETAIL STORES

Sample from Various Regions in the United States - May 1943

Location	Percentage of Female Employees		Percent annual Labor Turnover (Full time Employees)		Average age of Male Employees	Percent of Male Employees over 30 years of age
	Jan. '42	Mar. '43	Jan. '42	Mar. '43		
<u>Chains</u>						
A National Chain			(Male) 38.5% (Female) 37.8%	(Male) 134.6% (Female) 95.2%		
<u>Northeast Region</u>						
<u>Super Markets:</u>						
Philadelphia, Pa.	27	57	124	201	32	35
Schenectady, N.Y.	30	71	---	300	29	28
Jamaica, N.Y.	9	30	---	36	---	15
Boston, Mass.	7	34	---	81	---	---
Buffalo, N.Y.	30	45	---	---	---	---
<u>Independents:</u>						
Wilkes Barre, Pa.	---	63	---	---	36	36
Baltimore, Md.	---	62	---	---	51	76
Pittsburgh, Pa.	40	60	---	---	27	60
Schenectady, N.Y.	---	19	---	200	42	39
<u>Southern and South W. Region</u>						
<u>Super Markets:</u>						
Jackson, Miss.	5	48	120	192	27	10
Greenville, S.C.	2	41	276	672	---	---
Jacksonville, Fla.	18	48	---	200	---	---
Houston, Texas	26	85	125	437	---	---
Dallas, Texas	20	44	96	400	35	12
Lubbock, Texas	11	50	---	295	33	15
Corpus Christi & Austin Texas	8	36	120	180	35	40
<u>Independents:</u>						
Tulsa, Okla.	---	51	---	270	39	45
Dallas, Texas	---	27	---	72	38	55
New Orleans, La.	---	60	---	120	43	42

Location	Percentage of Female Employees		Percent annual Labor Turnover (Full time Employees)		Average age of Male Employees	Percent of Male Employees over 38 years of age
	Jan. '42	Mar. '43	Jan. '42	Mar. '43		
<u>Great Lakes Region</u>						
<u>Super Markets:</u>						
Detroit; Mich.	10	22	---	540	--	--
Chicago, Ill.	43	63	131	900*	35	--
Cincinnati, Ohio	22	29	---	240	--	40
Cleveland, Ohio	46	44	---	540	28	27
<u>Independents:</u>						
Toledo, Ohio	--	57	40	150	42	59
Chicago, Ill.	--	28	98	Extremely high	45	72
Dayton, Ohio	--	34	---	---	46	54
Flint, Mich.	--	53	---	---	39	35
Grosse Point, Mich.	--	--	---	100	23	--
Detroit, Mich.	--	32	---	200	36	50
Akron, Ohio	9	25	---	240	42	--
Sheboygon, Wis.	--	54	---	---	46	75
<u>Midwest Region</u>						
<u>Super Markets:</u>						
Hutchinson, Kan.	26	43	56	108	25	11
Kansas City, Mo.	4	73	---	Tremendous & Gaining	--	--
Omaha, Neb.	--	71	---	320	--	--
Kansas City, Kan.	24	30	---	165	--	35
<u>Rocky Mt. & Pacific Region</u>						
<u>Super Markets:</u>						
Portland, Ore.	40	79	---	270	37	35
Denver, Colo.	11	23	60	180	33	31
Los. Ang. Calif.	11	26	---	294	32	26
Oakland, Calif.	18	72	---	300	32	34
<u>Midwest Region</u>						
<u>Independents:</u>						
Omaha, Neb.	--	50	---	120	47	76
St. Louis, Mo.	--	39	11	40	43	55
Kansas City, Mo.	--	42	---	52	42	61

*Including part time.

Location	Percentage of Female Employees		Percent annual Labor Turnover (Full time Employees)		Average age of Male Employees	Percent of Male Employees over 30 years of age
	Jan. '42	Mar. '43	Jan. '42	Mar. '43		
<u>Independents:</u>						
Colo. Springs, Colorado	--	74	26	210	49	98
Salt Lake City, Utah	--	30	--	175	39	--
Seattle, Wash.	--	25	50	100	47	90
San Francisco, California	--	43	72	200	42	63
Portland, Oreg.	--	--	25	102	55	70
Oakland, Calif.	--	44	21	232	54	86

WHOLESALEERS

Location	Percent Women Employees		Employee Turnover		Average age of male employees	Percent of men over 38 years of age	Percentage increase in tonnage April '43 over Jan. '41
	Jan. '42	Mar. '43	Jan. '42	Mar. '43			
<u>Northwest Region</u>							
Buffalo, N.Y.	21	41	63	90	--	60	---
Cambridge, Mass.	23	32	--	---	--	--	106
New York, N.Y.	21	25	--	21	--	--	---
Albany, N.Y.	--	23	--	600	--	--	125
<u>South & Southwest Regions</u>							
Columbia, S. C.	--	33	--	---	--	60	---
Laurel, Miss.	17	26	--	246	44	74	170
<u>Midwest Region</u>							
Kansas City, Mo.	14	18	56	134	44	72	---
Topeka, Kansas	9	11	48	120	39	54	115
Emporia, Kansas	15	22	60	180	45	70	---
Concordia, Kansas	10	25	--	---	38	37	---
Coffeyville, Kan.	21	24	--	60	38	34	122
Wichita, Kansas	33	40	72	360	55	95	"Slight Decrease"
Trenton, Mo.	26	26	--	81	--	--	
Minneapolis, Minn.	9	15	30	60	--	--	---
Colby, Kansas	13	19	--	375	42	64	---
Prairie View, Kan.	--	6	60	36	40	71	116
Carrollton, Mo.	14	17	--	---	--	145	---
Polivar, Mo.	8	20	96	300	44	67	135
Arkansas City, Kan.	12	15	--	---	44	71	110
Junction City, Kan.	10	19	-6	67	36	45	120
Lawrence, Kan.	7	30	36	120	46	75	105
Iola, Kansas	8	13	11	120	46	7	---
Pittsburg, Kansas	10	21	33	866	40	45	115
Clinton, Mo.	7	28	72	240	46	85	130
St. Joseph, Mo.	13	16	--	---	45	76	140
Jefferson City, Mo.	11	20	60	120	38	51	75
Springfield, Mo.	13	22	36	312	35	38	107
Leavenworth, Kan.	10	12	96	120	46	6	---

EXHIBIT C

SAMPLE SURVEY - HOURS OF EMPLOYMENT - FOOD RETAILERS

(Full time employment)

Location	Regular Hours worked	
	Male	Female
	May 1943	
Detroit, Michigan	54-57	48
Houston, Texas	54	52
Corpus Christi, Grande Valley, Austin & others (Texas)	65-75	54
Schenectady, New York	51	45
Chicago, Illinois	48	48
Hutchinson, Kansas	52	44
Cleveland, Ohio	53	48
Portland, Oregon	49	48
Denver, Colorado	59	48
Jamaica, New York	48	46
Los Angeles, California (Independents)	48	48
Dallas, Texas	58	54
Lubbock, Texas	60	54
Oakland, California	54	48
Los Angeles, California (Super Markets)	51	48
Minneapolis, Minnesota	63	--
Kansas City, Missouri	70	--
Buffalo, New York	51	48

EXHIBIT D

SAMPLE SURVEY - HOURS OF EMPLOYMENT - FOOD WHOLESALERS

(Full time employment)

Location	Regular Hours Worked	
	Jan. 1941	May 1943
Topeka, Kansas	48-1/2	59
Concordia, Kansas	65	60
Emporia, Kansas	51-1/2	51-1/2
Trenton, Missouri	41-1/2	41-1/2
Denver, Colorado (Plus overtime)	40	--
Cambridge, Massachusetts	49	50
Topeka, Kansas	50	50
Prarie View, Kansas	52	53
Kansas City, Missouri	42	44
Carrollton, Missouri	41	41
Bolivar, Missouri	48	56
Coffeyville, Kansas	46	52
Arkansas City, Kansas (Plus overtime)	42	46
Albany, New York	40	55
Junction City, Kansas	53	60
St. Joseph, Missouri	44	48
	Jan. 1942	May 1943
Minneapolis, Minnesota	47-1/2	51-1/2
Los Angeles, California	44	44
Wichita, Kansas	46	52
Laurel, Mississippi	54	47-1/2
Springfield, Missouri	58	61
Anthony, Kansas	47	--
Leavenworth, Kansas	40	44
Topcka, Kansas	49-1/2	--
Buffalo, New York	--	57

Dun's Review of March 1943, (Page 34) commenting on retailers

"Weathering the War", says:

"Shortage of help has of course been troubling retailers for some time. The striking fact indicated by this survey is that, even in areas designated by the War Manpower Commission as having surplus labor, more than a third of the merchants cannot get enough help. In areas of labor shortage, more than half of the retailers report available help insufficient. Even those retailers who can get enough help comment on the poor quality of the employees available, or the high rate of personnel turnover.

"The relatively low level of retail wages is doubtless in part responsible. Retailers comment that, --- 'We find it difficult to compete with Government contractors on cost plus projects' who can recover whatever they have to pay in wages. Others state that 'wages are entirely out of proportion in defense areas,' and one writes, 'We have sufficient help because we pay better than competitive stores in our community.' About a fifth of the retailers say able help is available 'only at high cost.' "

In "Small Retail Store Mortality", a Department of Commerce

publication of June, 1943 referring to loss of personnel it is stated (Page 21):

"Loss of experienced personnel was listed as a major cause in the death of one-third of the retailers, but it was usually listed in conjunction with problems created by scarcity of merchandise or other conditions rather than as a single factor."

MANPOWER IN WHOLESALE AND RETAIL FOOD DISTRIBUTION

The members of the Wholesale and Retail Food Industry Advisory Committee of the War Food Administration request that the need for essential manpower in wholesale and retail food distribution be officially recognized. Its statement follows:

The present manpower condition of the Wholesale and retail food industry is such that unless the War Manpower Commission declares it an essential industry, the functions of the industry will be handicapped to such an extent that:

1. The food production available for the civilian population will not be made available in usable form to supply the needs of war workers and other consumers.
2. Wastage of food resulting from inexperienced handlers will mount to unpredictable high levels.
3. The procedure for orderly allotment of food through the food rationing program will break down through lack of personnel to handle the necessary work involved.

The production and processing of food have been declared essential and it is the firm conviction that the same considerations as were applied to the determination that production and processing of food are essential, apply with equal weight to the determination that distribution of food is essential in order that it shall be available through normal channels to the consumer. To lend support to such conviction the following should be noted: (See Exhibit B)

1. Substantial progress has been made in the industry to replace manpower with womanpower.
2. The industry is now at a point where the rate of turnover in employees, both those in key positions and those in clerical positions has assumed such proportions that an excess of manpower is necessary to make up for the inefficiencies caused by untrained personnel.
3. The large number of male employees that have entered the armed forces or war industries has resulted in a substantial increase in the average age of male employees.
4. The industry has eliminated all possible services such as delivery, etc., and the retail stores have shifted to a self-service basis to the extent of all available equipment.
5. At the wholesale level the many improvements made have resulted in a substantial increase in tonnage handled per man hour.

The industry therefore petitions the War Manpower Commission to declare as essential, all established retail and wholesale food concerns directly handling the distribution of rationed foods.

Such a step will result in:

(a) A reduction in the number of employees necessary to operate the industry as efficiently as possible under wartime conditions.

(b) A reduction in the amount of food wastage resulting from inexperienced help.

(c) Orderly distribution of food to war workers and other consumers.

Sub-Committee on Manpower

Galen H. McKinney)	
Fort Worth, Texas)	
)	
R. B. Caywood)	--(Wholesalers)
Kansas City, Missouri)	
)	
Isaac Jacobson)	
Washington, D. C.)	
)	
Thomas B. Terry)	
Laurel, Mississippi)	
)	
John N. Bloecher)	
Baltimore, Maryland)	
)	
P. D'Agostino)	
New York, New York)	
)	-- (Retailers)
Herbert B. Ludlum, Jr.)	
New York, New York)	
)	
Joseph Weingarten)	
Houston, Texas)	

In its meeting in Washington, D. C. on May 18-19, the National Retail Food Industry Advisory Committee unanimously passed a recommendation to the War Food Administration as follows:

"That food distribution be declared an essential industry by the War Manpower Commission;

"That Selective Service System issue occupational bulletins to draft boards outlining food distribution deferments which should be granted for key positions;

"That U. S. Employment Service continue present activities with the food distributing industry and place definite restrictions on hiring employees away from food distribution; and

"That the Government give wide publicity to the fact that the industry is essential so that all local draft boards have this information readily available."

WAR MANPOWER COMMISSION

Washington, D. C. 25

PAUL V. McNUTT
CHAIRMAN

JUL 17 1943

Dear Mr. Jones:

Mr. Chester Davis wrote to us on June 21 describing the manpower situation in the wholesale and retail distribution of food and proposed that these activities be included in the War Manpower Commission National List of Essential Activities.

I have consulted with the Committee on Essential Activities which, at a recent meeting, reviewed this request as presented by various representatives of the National food distribution group. The Committee, after careful consideration of the facts, decided that this activity, vital and significant as it is, does not meet the criteria which are set forth in the introduction to the War Manpower Commission List and Index of Essential Activities. There is no question concerning the importance of the distribution of food in relation to the maintenance of an efficient civilian economy so necessary to all the war effort. One corollary test, however, that has been applied to all activities considered for the Essential Activity List is the adequacy of facilities to meet minimum wartime needs. This test has resulted in practically all marketing activities being excluded except on a local basis.

You are aware, of course, that the War Manpower Commission has established a procedure which makes it possible for designating "locally needed" activities in specific areas. When so designated, such activities receive the same consideration and service by the United States Employment Service as is provided for activities included in the National List of Essential Activities. Regional and area directors of the War Manpower Commission are authorized to declare activities as "locally needed" in any areas classified in Groups I, II and III. We are now consulting with regional directors on the need and desirability of extending this authority to cover any area where the need arises.

Our experience has indicated that the manpower problem cannot be very well described in terms of an industry as a whole but is manifest in relation to the problems of all industries in each geographic area. It has been on the basis of this experience that we have decentralized our operations as much as possible and provided full authority for dealing with manpower problems as they arise in each locality. The recent extension of authority for local determination of the activities that must be given special attention with respect to manpower needs is the right step in the direction of solving the problem of wholesale and retail distribution of food. If the Regional Directors report that a further extension of authority is necessary, it will be made promptly, and there will be no areas in which wholesale and retail distribution of food cannot be accorded the same consideration as is now accorded to activities included on the National essential list.

I am firmly of the opinion that the designation of the food distribution industry as "locally needed" in such areas where that determination can be made is the proper approach to this problem. I should indicate, however, that the situation concerning labor turnover and similar difficulties in the food distribution industry which is described in Mr. Davis' letter of June 21 is not likely to be overcome by the mere designation of these activities as "locally needed".

Sincerely,

/s/ Paul V. McNutt

Chairman

Mr. Marvin Jones
War Food Administrator
Department of Agriculture
Washington, D. C.

WAR FOOD ADMINISTRATION

Washington, D. C.

July 28, 1943

Hon. Paul V. McNutt
Chairman, War Manpower Commission
Washington, D. C.

Dear Governor McNutt:

This is in reply to your letter of July 17, regarding the manpower problem in wholesale and retail food distribution.

We appreciate not only the consideration you personally have given this problem, but also the attention and study of Mr. Haber and other members of your staff. We are glad to follow your suggestion that the problem be approached on a "locally needed" basis.

It seems to us that this approach can be most effective if your various Area Directors understand fully the position expressed in your letter of July 17. For that reason, we urge that a copy of your letter be sent to them.

A copy of your letter has already been sent to the Regional Administrators of the Food Distribution Administration for their confidential information. They will be glad to assist your Directors in any way possible.

Your Area Directors will be guided in their consideration of local needs by your letter of July 17, as well as your Operating Instructions (Field) No. 15. In applying these criteria it should be kept in mind that:

- (a) Because of rationing and price control, food distributors in every type area are required to perform numerous new functions which require experienced and responsible personnel. Experienced personnel is necessary if our supplies of food are to be conserved.
- (b) Food distribution through established outlets is a national problem and, contrary to popular opinion, is not confined to areas of high industrial activity. Rural as well as urban and industrial areas must rely for most of their rationed and processed food supplies on established wholesalers and retailers.

- (c) Unless full consideration is given to the manpower problems of established retail outlets, indications are that the relative position of the various types of retailers will be irrevocably upset.
- (d) Most food distributors have already effected numerous economies in the use of manpower and facilities, by utilizing women to replace men wherever practicable, and by establishing self-service to the extent of all available equipment.

Where reasonable doubt concerning essentiality exists on the part of an Area Director, it is hoped that his decision may be favorable to the food distributor.

Sincerely yours,

War Food Administrator